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NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

For Week Ending 16 June 1948

Vol. III No. 23

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#### GREECE

Bulgaria and Greece avow willingness to resume relations: The resumption of Bulgarian-Greek diplomatic relations would probably bring about little immediate improvement in the Balkan situation although it might superficially ease the tension between Greece and Bulgaria, and even between Greece and the other northern neighbors. Moreover, the problem is a knotty one despite the avowed willingness of the two governments to resume negotiations. Bulgaria, for instance, has spoken of the necessity for a discussion of "conditions and arrangements" before an exchange of representatives can take place. What these conditions are is not yet known, but Bulgaria might well demand that Greece publicly disavow its territorial claims or impose other conditions so unacceptable that the negotiations would fail at the outset. In such an event, not only Bulgaria but also the other Satellites and the USSR would attempt to align world opinion against the "monarcho-fascist" Greek Government for its failure to cooperate in the interests of world peace. Even if preliminary negotiations should succeed and representatives were exchanged. Greece would probably get little satisfaction out of Sofia on such specific problems as the kidnapping of Greek children, Satellite aid to Markos, the return of looted property and materiel, war reparations, and Bulgarian violations of the World War II peace treaty. However, the Greek Government apparently feels that the failure to obtain immediate adjustment of these problems will be outweighed by the possibility that the resumption of relations with Bulgaria might eventually provide an opening for constructive diplomatic action on the part of Greece and its western supporters.

#### TURKEY

Officials deny sending arms to Arabs: Reports of Turkey's sending arms to the Arabs are almost as persistent as official Turkish denials of the allegations. The government, although admitting that some "fowling pieces and blunderbusses" of ancient vintage may have been smuggled into Syria, reiterates Turkey's policy of adhering to its UN obligations. Turkish officials also point out that Turkish-US relations would become impossible if the Turks were to deliver arms to the Arabs while the Turkish armed forces are being re-equipped and modernized by the US. The Turks have made no secret of their sympathy for the Arab cause,





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believing as they do that the Palestine troubles jeopardize Turkey's accurity. However, the Turkish Government would never participate in or countenance the shipment of arms from Turkey to the Arabs in contravention of a UN measure supported by the US. The Turks would be neither so described nor so foolish.

## PALESTINE

Uneasy truce prevails: Although the UN truce in Palestine has been generally effective so far, extreme tension throughout the country and the determination of both Jews and Arabs to gain surreptitiously all possible military advantages during the truce period may create incidents leading to the resumption of full-scale hostilities. Perhaps the greatest danger lies in the admitted inability of the Provisional Government of Israel (PGI) to control the Jewish military extremists, the Stern Gang and the Irgun Zvai Leumi. Although these groups nominally form a part of the Israeli army, they retain their identity and continue to advocate an extremist political program for the inclusion of all of Palestine and Transjordan in the Jewish state. Their independence of action is illustrated by a recent announcement by the Irgun leader that a new political group known as the "Jewish Movement for Freedom" has been formed which will carry on an underground struggle beyond the present frontiers of Israel. This tendency of the extremists to take matters into their own hands not only threatens the continuation of the truce but also adds greatly, to the difficulty which the UN mediator faces in attempting to reach a political settlement acceptable to the PGI and the Arab governments.

Fighting lines stabilized for truce period: The military situation in Palestine as of 11 June, when the UN's cease-fire became effective, is shown on the map (Appendix A). Jewish forces hold the coast from Jaffa north to the Lebanese border and thus control all of Palestine's main seaports. They also control all of Eastern Galiles, except for two Syrian footholds at Malikya and south of Lake Hule. In most of Western Calilee the situation is confused, but the Jews hold a land bridge connecting the coast with Eastern Galilee. The Arabs can point to significant gains even though most of the flighting took place in Arab territory. The Old City of Jerusalem is held by the Arabs, and the New City is almost completely cut off from reinforcements. Abdullah's Arab Legion still commands the Tel Aviv-Jerusalem supply route. Some twenty Jewish cottlements in the Negev, though still in Jewish hands, are isolated by Egyptian troops. Egyptian forces also hold the coast from Gaza to Isdud and are maintaining a link between this salient and the area which they control between Beersheba and Jerusalem. Arab troops at Lydda and Ras el Ein (the source of Jerusalem's water supply) are only ten miles or so from Tel Aviv. In the north, Arab forces are in control of the

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important Jenin-Neblus-Tulkarm triangle and are also in a position to threaten the Haifa-Tel Aviv communications west of Tulkarm.

### IRAN

Mew premier elected: The election of Abdol Hosein Hajir as prime minister of Iran presages no significant change in Iranian policy, domestic or foreign. If he succeeds in forming a cabinet, he should be able to promote more harmonious relations between the Shah and the government: he is reportedly on good terms with the Shah and obviously has the reproval of the Qavam faction, without whose support he could scarcely be obtained a majority vote in the Majlis. He has had a long care or in covernment service, particularly in the fields of finance and economy, and is regarded as honest and efficient. The Kremlin undoubtedly looks with disfavor on Hajir's election inasmuch as he is both friendly to the West and strongly nationalistic.

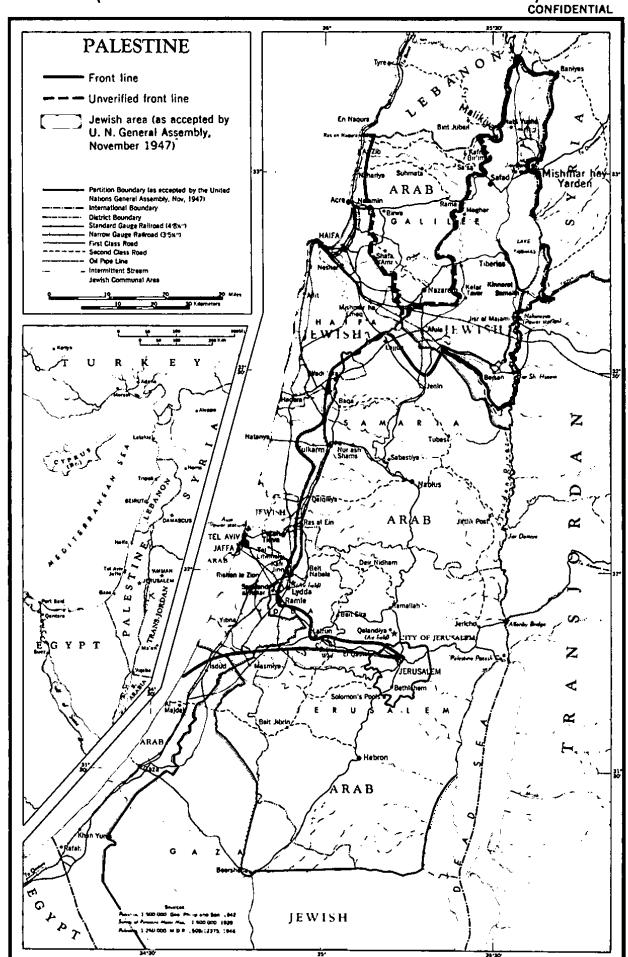
#### INDIA-PAKISTAN

India-Hyderabad negotiations fail: A peaceful settlement of the India-Hyderabad dispute in the near future seems unlikely. After ten months, the accession negotiations have broken down, and both moderates and extremists in Hyderabad have become so incensed against India that, if a plebiscite were held, accession would probably be voted down. Hyderabad (whose belligerent attitude may be partly inspired by Pakistan) is smuggling arms from Pakistan and preparing for war. India has announced its intention of pursuing into Hyderabad any raiders who violate Indian territory and of demanding full compensation for damage done to Indian property. Moreover, the Government of India, which is continuing its gasoline embargo against Hyderabad, will probably enforce additional economic sanctions. Open and declared war is not expected; Hyderabad has no efficient fighting force, and India would hesitate to divert any sizcable force from the critical Kashmir area. However, the danger is that armed Razakars (Hyderabad extremists) will create a series of incidents which will provoke Indian reprisals and thus result in the practical existence of guerrilla warfare,

In Mashmir, there have been no significant developments during the week although neither dominion has withdrawn its forces from the disputed area. As the Security Council's Mashmir Commission assembles in Geneva, the Covernment of India is giving wide publicity to the allegedly illegal presence of Pakistani troops into Mashmir,

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